

Michigan Tobacco Products Tax Return

Includes Cigarettes and Other Tobacco Products (OTP)

Issued under P.A. 327 of 1993, as amended. Failure to file this return and/or remit the tax due may result in the issuance of a computed intent to assess for tax, penalty and interest in accordance with P.A. 122 of 1941, as amended.

Attach supporting schedules referred to below. See instructions on Page 2.

Reporting Period

File Period

Account Number (FE, ME or TR)

Type Name and Address

1. Tax-free inventory at the beginning of the month (Wholesalers only) 1.
2. Purchased or otherwise acquired
(Wholesalers - Schs. A & F; Unclassified Acq- Sch. A) 2.
3. Total of lines 1 and 2 3.

DEDUCTIONS

4. Unsalable returns to manufacturers or distributors (from Schedule C(R)) . 4.
5. Sales, transfers or salable returns, outside of Michigan (Schedule C(T)) .. 5.

Only Wholesalers are to Completed Lines 6 and 7.

6. Sales to U.S. Agencies - Schedule B 6.
7. Inventory at end of month - Tax-Unpaid Only - Schedule E 7.

8. Tax-unpaid tobacco products sold to MI Wholesalers -
Sch. H (Unclassified Acquirers) 8.
9. Tax free tobacco products sold to Michigan Tribes who have entered into
a tax agreement with the State of Michigan (Schedule L) 9.
10. Bad Debt Deduction (Schedule M) 10.
11. Total Deductions (add lines 4-10) 11.
12. Total tobacco products sold/imported into Michigan (line 3 minus line 11) 12.
- 13a. Tax at 62.5 mills per cigarette sold or imported (line 12 x \$.0625) 13a
- 13b. Tax at 20% of wholesale price on OTP sold or imported (line 12 x .20) . 13b
14. Compute 1.5% (.0150) of line 13a, Column I 14.
15. Compute 1% (.01) of line 13b, Column II 15.
16. Net tax due (line 13a minus line 14 and line 13b minus line 15) 16.

17. TOTAL NET TAX DUE (Add line 16 Columns I and II) 17.
18. TOTAL PENALTY (Penalty is 5% of tax due if not more than 2 months late with an additional 5%
penalty for each additional month or fraction of month late. Max. 25% See p. 2 to calculate.) 18.
19. INTEREST (Accrues at 1% above current prime rate; adjusted on 1/1 and 7/1. See p.2 to calculate.) 19.
20. Amount prepaid for tax stamps during month (if applicable) 20.
21. TOTAL TAX, PENALTY and INTEREST DUE (Add lines 17-19 and subtract line 20) **PAY** 21.

ADDITIONAL SCHEDULES - Not included in calculation

22. Total stamped packs sold (from Schedule J, line 6)

20's	25's	1's	Native American 20's	Native American 25's
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23. Tax-paid purchases from other Wholesalers - Schedule G 23.
24. Tax-paid sales to other licensees - Schedule D 24.
25. Sales to Indian Communities - Form 373 25.

I certify, under penalty of perjury, that this return and attachments are true and complete to the best of my knowledge.

I authorize Treasury to discuss my return with my preparer.

☐ Yes

☐ No

Signature of Taxpayer	Telephone Number	Fax Number	Date
Signature of Preparer other than taxpayer	Telephone Number	Fax Number	Date

This return must be filed with payment on or before the 20th day of the month following the close of the reporting period. See page 2 for mailing instructions.

Form 322 Instructions

Michigan Tobacco Products Inventory Tax Return

In accordance with P.A. 327 of 1993, every wholesaler, unclassified acquirer, transporter and transportation company is required to file a *Michigan Tobacco Products Tax Return* with the Michigan Department of Treasury on or before the 20th day of each month for the previous reporting month. You must file a return even if no tax is due.

Your return may be audited. Keep a copy of your return and all supporting documents for four years.

CIGARETTES: Purchases from non-participating manufacturers ("Non-Participating Manufacturer" means any Tobacco Product Manufacturer who is not a signor to the Master Settlement Agreement) should be reported on Schedule K (Form 3669). Computations on all forms must be made using the number of individual cigarettes. For example: report 120,000 cigarettes and not 10 cases or 600 cartons.

OTHER TOBACCO PRODUCTS (OTP): Computations must be based on 20 percent of the wholesale price of each OTP.

OTP include cigars, noncigarette smoking tobacco (tobacco sold in loose or bulk form that is intended for consumption by smoking), and smokeless tobacco (snuff, chewing tobacco, and any other tobacco that is intended to be consumed by means other than smoking). "Roll-your-own" products purchased from Non-Participating Manufacturers should be reported on Schedule K (Form 3669).

The "**wholesale price**" is defined as the actual price paid for a tobacco product, including any tax, by a wholesaler to a manufacturer, excluding any discounts or reductions.

LINE - BY - LINE INSTRUCTIONS

Lines not listed are explained on the form.

Note: Lines 2, 3, and 12 - 21 must be completed by all filers.

Instructions for Wholesalers

The cigarette tax and OTP tax are computed on sales made in Michigan each month.

Line 1: Enter the number of tax-unpaid cigarettes on hand at the beginning of the month in column I. **This must be an actual physical count.** Enter the wholesale price of all tax-unpaid OTP on hand at the beginning of the month in column II.

Line 2: Enter the total number of cigarettes shown on Schedule A, *Report of All Tobacco Products Acquired by Wholesalers or Imported by Unclassified Acquirers*, and/or Schedule F, *Imports Into Michigan by a Licensed Wholesaler*, in column I. Enter the wholesale price of OTP shown on Schedule A and Schedule F in Column II.

Line 4: Enter the total number of cigarettes shown on Schedule C(R), *Unsalable Returns to Manufacturers*, in column I. Enter the wholesale price of OTP shown on Schedule C(R) in column II.

Line 5: Enter the total number of cigarettes shown on Schedule C(T), *Sales, Transfers or Salable Returns Outside of Michigan*, in column I. Enter the wholesale price of OTP shown on Schedule C(T) in column II.

Line 6: Enter the total number of cigarettes shown on Schedule B, *Sales to U.S. Agencies*, in column I. Enter the wholesale price of OTP shown on Schedule B in column II.

Mailing Instructions:

Make checks payable to "**State of Michigan**". Write the words "Tobacco Products Tax" and your account number on the front of your check and mail to: **Michigan Department of Treasury, P.O. Box 77628, Detroit, MI 48277-0628**. If you have questions, please call the Customer Contact Division, Tobacco Tax Unit at (517) 636-4630. Deaf, hearing or speech impaired persons call (517) 636-4999 (TTY).

Line 7: Enter the number of tax-unpaid cigarettes on hand at the end of the month from Schedule E, *Physical Inventory of Cigarettes in Michigan*, in column I. **This must be an actual physical count.** Enter the wholesale price of tax-unpaid OTP on hand at the end of the month from Schedule E in column II.

Line 9: Enter the total number of cigarettes shown on Schedule L – *Tax Free Tobacco Products Sold to Michigan Tribes* (Form 4032), in column I. Enter the wholesale price of OTP shown on Schedule L in column II.

Line 10: Enter the total number of cigarettes shown on Schedule M - *Bad Debt Deduction* (Form 4028), in column I. Enter the wholesale price of OTP shown on Schedule L in column II.

Line 14: Multiply line 13a by 1.5% (.015) and enter here.

Line 15: Multiply line 13b by 1% (.01) and enter here.

NOTE: The amounts entered on lines 14 and 15 are the amounts of compensation allowed to licensees and apply only to those paying tax directly to Treasury.

Line 18-19: To calculate the Penalty & Interest, go to www.michigan.gov/treasury. Select "Individual", then "Customer Service."

Line 20: If applicable, enter the amount prepaid as required by Treasury.

Line 22: Enter the total stamped packs sold by denomination from Schedule J, line 6.

Line 23: Enter the total number of cigarettes shown on Schedule G, *Tax-Paid Purchases From Other Wholesalers*, in column I. Enter the wholesale price of OTP shown on Schedule G in column II.

Line 24: Enter the total number of cigarettes shown on Schedule D, *Tax-Paid Sales to Other Licensees*, in column I. Enter the wholesale price of OTP shown on Schedule D in column II.

Line 25: Enter the total number of cigarettes shown on Form 373, *Sales to Authorized Indian Communities*, in column I. Enter the wholesale price of OTP shown on Form 373, in column II.

INSTRUCTIONS FOR UNCLASSIFIED ACQUIRERS

The cigarette tax and the OTP tax are computed at the time the product is imported into Michigan (at time of purchase by in-state companies).

Line 2: Enter the total number of cigarettes shown on Schedule A in column I. Enter the wholesale price of OTP shown on Schedule A in column II. Complete Schedule K (Form 3669) for roll-your-own tobacco products and cigarettes purchased from Non-Participating Manufacturers.

Line 8: Tax unpaid cigarettes or other tobacco products sold to Michigan licensed wholesalers - only to be filed by Unclassified Acquirer - importers located outside of Michigan.

Line 24: For **out-of-state** Unclassified Acquirers list all sales to Michigan customers. Enter the total number of cigarettes shown on Schedule D in column I. Enter the wholesale price of OTP shown on Schedule D in column II.